

## Dealing with Returns

Returns and refunds are part of doing business and you should make sure that you are complying with the distance selling laws in the country you are selling in. For example, the European laws dictate that we must allow customers 14 days to change their mind. Which means that even if there is nothing wrong with the item, the customer has the right to return it for a refund (providing the item is in the exact same condition they received it in) within 14 days.

Does this increase returns? Not in my experience. It's simply a matter of providing great customer service and keeping your customers on side!

**You can keep returns to a minimum by following the below guidelines:**

Always try to answer customer emails within 24 hours on business days. If you are expecting to be without Internet connection or unavailable for more than 24 hours during business days, set up an automated response in your email account to let customers know that it might take a little longer than usual to get a reply.

Set up an automatic email response to go out every time a customer sends an email to you. It should say something like...

*"Thank you for your message. We will get back to you as soon as possible"*

Avoid selling items that have higher than average return rates. For example, clothing and footwear because these items are often returned as the wrong size. Be careful with electronics because of possible faults.

**How to Deal with Returns if you Drop Ship in a Country that You Do Not Reside in**

If you drop ship in the country you live in, then dealing with returns is simple because you can use your own address as the return address. You can then forward the returns to the drop shipper as and when necessary.

*However, what if - for example - you live in France and you want to drop ship in the US.*

**Firstly** you should carefully check the returns policy of the drop ship supplier you want to use. If you're not 100% clear, drop them an email or give them a call to get clarity. Some suppliers will accept returns directly, but many will not. It's not the supplier's responsibility to deal with anything customer related, so if they DO accept returns directly, it's a bonus! Normally you will need to deal with the return from the customer and if the item is faulty, return it to the supplier.

If you end up selling high volumes of items from a drop ship supplier, sometimes they will be happy to provide you with a custom solution for returns. When you are new however, you won't get any special treatment.

**Secondly** there are dozens (in fact probably 100's) of companies in the US who will accept parcels for you and then forward them on to another address in the US (or worldwide). Obviously this is not ideal because you can't inspect the item before it gets sent back to the drop ship supplier. However, some companies also offer inspecting and photographing of the parcel contents.

Simply do a Google search for 'parcel forwarding service US'

*If you want to sell in the US and you live in another country, you should not let this obstacle prevent you. Nowadays there are solutions to almost everything when it comes to selling physical products online!*

### **What about returned items that were purchased from China?**

It depends on the value of the items. Low value items (items that are worth less than the cost of shipping back to China) should be written off a business expense.

Higher value items should be returned to the Chinese supplier for a refund – but only if they are in some way faulty.

There will always be some items that you need to write off a business expense. If these items are still useable, you can keep them for personal use.

To conclude – everybody gets some refunds and returns but you should be able to keep them below 3% - 4%.